

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Monday, May 14, 2018

4:30 PM

City Hall, Conference Room 2A

Council Sustainability Committee

CALL TO ORDER**ROLL CALL****PUBLIC COMMENTS:**

(The Public Comment section provides an opportunity to address the City Council Committee on items not listed on the agenda as well as items on the agenda. The Committee welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Committee is prohibited by State law from discussing items not listed on the agenda, any comments on items not on the agenda will be taken under consideration without Committee discussion and may be referred to staff.)

APPROVAL OF MINUTES

1. [MIN 18-068](#) Approval of Minutes of Council Sustainability Meeting on March 12, 2018

Attachments: [Attachment I Minutes of Council Sustainability Meeting on March 12, 2018](#)

REPORTS/ACTION ITEMS

2. [ACT 18-023](#) East Bay Community Energy - Consideration of Default Product for Residential Customers

Attachments: [Attachment I Staff Report](#)

3. [ACT 18-021](#) Possible Participation in Idle-Free Bay Area Campaign

Attachments: [Attachment I Staff Report](#)
[Attachment II Proclamation Template](#)
[Attachment III Idle Free Ordinances by Local Jurisdictions](#)
[Attachment IV Flyer for Minneapolis Ordinance](#)

4. [ACT 18-022](#) Property Assessed Clean Energy (PACE) - Marketing by PACE Providers

Attachments: [Attachment I Staff Report](#)
 [Attachment II Postcard](#)

5. [ACT 18-024](#) Proposed 2018 Agenda Planning Calendar

Attachments: [Attachment I Staff Report](#)

FUTURE AGENDA ITEMS

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT



CITY OF HAYWARD

Hayward City Hall
777 B Street
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File #: MIN 18-068

DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT

Approval of Minutes of Council Sustainability Meeting on March 12, 2018

RECOMMENDATION

That the Committee reviews and approves the minutes of the Council Sustainability Committee meeting on March 12, 2018.

ATTACHMENTS

Attachment I Minutes of Council Sustainability Meeting on March 12, 2018

CITY COUNCIL SUSTAINABILITY COMMITTEE MEETING
Hayward City Hall – Conference Room 2A
777 B Street, Hayward, CA 94541-5007

March 12, 2018
4:30 p.m. – 6:30 p.m.

MEETING MINUTES

CALL TO ORDER: Meeting called to order at 4:30 p.m. by Chair Mendall.

ROLL CALL:

Members

- Al Mendall, City Council Member/CSC Chair
- Elisa Márquez, Absent
- Francisco Zermeño, City Council Member

Staff:

- Maria Hurtado, Assistant City Manager
- Alex Ameri, Director of Utilities & Environmental Services
- Fred Kelley, Transportation Manager
- Jeff Krump, Solid Waste Program Manager
- Carol Lee, Sustainability Specialist
- Jan Lee, Water Resources Manager
- Ciaran Gallagher, CivicSpark Fellow
- Majid Hafezieh, Associate Transportation Engineer
- Sai Midididdi, Associate Transportation Engineer
- Alicia Sargiotto, Management Analyst
- Tori Johnson, Senior Secretary (Recorder)

Others:

- Susie Hufstader, Bike East Bay
- Thomas Butler, President of Sustainability Club, California State University East Bay (CSUEB), Hayward Resident
- Jose Luigi Madrid, Sustainability Ambassador, CSUEB
- Michael Groziak, Professor of Chemistry, CSUEB
- Sandra Torres, Sustainability Ambassador, CSUEB, Hayward Resident
- Amanda Groziak, Hayward Resident
- Hayes Morehouse, Hayward Resident
- Angela Andrews, Chair, Keep Hayward Clean and Green Task Force
- Arti Garg, Keep Hayward Clean and Green Task Force, Hayward Resident
- Amanda Leahy, Kittelson Associates
- Shelby Sugierski, Rising Sun Energy Center

PUBLIC COMMENTS

Shelby Sugierski with Rising Sun Energy Center urged partnerships with the City of Hayward.

Arti Garg, on behalf of Keep Hayward Clean and Green Task Force, shared a letter about adopting ordinances related to eliminating plastic drinking straws.

Chair Mendall pulled Item 5, Update on City's Efforts to Reduce Litter from Disposable Food Packaging, from the Agenda for scheduling at a future Council Infrastructure Committee (CIC) meeting.

1. Approval of Minutes of Council Sustainability Meeting on January 8, 2018.

It was moved by Council Member Zermeño, seconded by Chair Mendall, and carried unanimously, to approve the minutes of the Council Sustainability Committee meeting of January 8, 2018.

2. Bicycle and Pedestrian Master Plan Update

Director Ameri provided a brief overview of the report. Transportation Manager Fred Kelly introduced Associate Transportation Engineer Sai Midididdi, and Amanda Leahy of Kittelson Associates. Ms. Midididdi presented the report. Amanda Leahy presented the project and stakeholder approach.

Susie Hufstader, Bike East Bay, encouraged early and often outreach, and to hold meetings where the users are. Chair Mendall encouraged Ms. Hufstader to get the word out about the meetings.

Council Member Zermeño invited Bike East Bay to the All-American Festival happening on June 30th at Tennyson and Hesperian, and expressed support for the pop-up bike lane. Council Member Zermeño suggested including Chabot College and CSUEB in the outreach, asked the consultant to study preventing deaths on freeway interchanges, and deemphasizing cars, as well as including Hayward Unified School District (HUSD). He would like the consultant to explore bicycle sharing, and to study why there is not a bicycle shop in South Hayward. Council Member Zermeño requested additional green pavement on major arterials to make them safer.

Chair Mendall emphasized developing and recommending long term and short-term plans. He expressed that long-term plans should look at future improvements and needs beyond five years, and requested the first priority should be to focus on arterials. Chair Mendall suggested exploring walkability and sidewalks in Hayward's industrial area.

3. Plastic Straws and Utensils

Solid Waste Manager, Jeff Krump provided a brief overview of the report and sought questions and discussion from the Committee.

Public Comments

Amanda Groziak, Hayward resident, made a public comment in support of any measures to reduce single-use utensils and straws in public venues, restaurants and shops. She expressed concern that only supporting AB1884 is not a strong enough measure to combat plastic pollution in Hayward.

Michael Groziak, Professor of Chemistry and Bio Chemistry at CSUEB, made a public comment encouraging Hayward to lead the way to show other cities alternatives to using plastic utensils.

Thomas Butler, representing the Sustainability Office at CSUEB, stated they have a quarterly campus cleanup, and a lot of the litter is from plastic foodware, and they are in support of the elimination of plastic foodware.

Angela Andrews, Chair, Keep Hayward Clean and Green Task Force, said they pick up a lot of plastic utensils and straws, and challenged the City to look at condiments as well.

Committee Comments

Council Member Zermeño agreed that AB 1884 is a good first step, and Governor Brown should be encouraged to sign it, and he asked where residents can be educated about shopping for biodegradable straws and utensils. Director Ameri responded that Business Costco, located on A Street, carries them. Council Member Zermeño suggested informing residents and restaurants through water bill inserts.

Director Ameri requested feedback from the Committee regarding the City's stand on supporting a Countywide Ordinance or having the City pursue their own Ordinance. Council Member Zermeño responded the City should move forward with its own Ordinance, and encourage the County to do the same. He was in favor of all four options.

Chair Mendall suggested to do option number one right away in support of State level efforts, and to encourage Stopwaste to only allow reusable or compostable straws and utensils. Chair Mendall expressed a desire for the City to move forward with its own ordinance unless Stopwaste moves forward with a County-wide ordinance banning single use plastics in the next twelve months. Chair Mendall noted he feels strongly that Hayward should lead by example and encourage other jurisdictions to follow.

Chair Mendall requested staff to follow-up with an estimated timeline, or a follow-up conversation with him at a later time.

4. Advanced Metering Infrastructure Project Update

Management Analyst Alicia Sargiotto provided an update of the Advanced Metering Infrastructure Project.

The Committee and staff discussed the status of the AMI project, changes in customer water usage since the end of the drought, and development of the customer portal. Staff reported that lean innovation techniques are being used to collect information on customer water use practices and the features customers would like included in the customer portal. Staff will report back to the Committee with any significant updates to the project.

5. Update on City's Efforts to Reduce Litter from Disposable Food Packaging

Item pulled and will be placed on a future CIC meeting agenda.

6. Sustainable Groundwater Management: Cooperating Agreement with East Bay Municipal Utility District to Jointly Develop a Groundwater Sustainability Plan for the East Bay Plain Subbasin

Water Resources Manager Jan Lee provided an update and recommendation regarding the sustainable groundwater management cooperating agreement with East Bay Municipal Utility District (EBMUD).

Discussion ensued regarding cost share, grant funding, and the scope of work. The Committee was in favor of a cooperative agreement with EBMUD and recommended that staff take the necessary actions to bring a resolution to the City Council. The Committee also commended staff and EBMUD for securing grant funding for the development of the Groundwater Sustainability Plan for the East Bay Plain Subbasin.

7. California Youth Energy Services - 2017 Results

Sustainability Specialist Carol Lee provided an overview of the program, presented the 2017 results, and discussed enhancements to the 2018 program.

The Committee was in favor of the City's participation in the California Youth Energy Services (CYES) 2018 program, and the use of grant funding to enhance the program in order to reach more residents and youth in the Tennyson Corridor.

8. Proposed 2018 Agenda Planning Calendar

Director Ameri reviewed the upcoming tentative agenda items.

Chair Mendall was pleased to see greenhouse gas reduction goals and the electrification of homes on the schedule, and noted that an update to the ZNE Goal could be postponed from the May agenda if necessary.

The Committee agreed that a discussion regarding Tiny Homes would be appropriate, but requested that bike/car sharing not return to the Committee unless there is significant progress or change.

Chair Mendall ended the meeting by acknowledging staff and the City Council for taking action to make Hayward truly cleaner and greener by making carbon-free Brilliant 100 the default electricity product in Hayward.

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS:

None.

ADJOURNMENT: 6:00 p.m.

Attendance	Present 03/12/18 Meeting	MEETINGS		
		Present to Date This Fiscal Year	Excused to Date This Fiscal Year	Absent to Date This Fiscal Year
Elisa Márquez		1	1	0
Al Mendall*	✓	2	0	0
Francisco Zermeño	✓	2	0	0

✓ = Present O = absent X = excused

* Chair



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File #: ACT 18-023

DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT

East Bay Community Energy - Consideration of Default Product for Residential Customers

RECOMMENDATION

That the Committee makes a recommendation to Council regarding selection of a default energy product for East Bay Community Energy's residential customers in Hayward.

SUMMARY

East Bay Community Energy (EBCE) will begin serving non-residential customers in June 2018 and residential customers in November 2018. Starting in June, EBCE will offer two products to non-residential customers. The products will be Bright Choice, which will be a minimum of 85% carbon free electricity and Brilliant 100, which will be 100% carbon free. On April 18, the EBCE Board decided to offer a third product, 100% renewable energy, which will be available starting in November 2018. EBCE made Bright Choice the default product for all customers, but on March 6th, Council voted to select Brilliant 100 as the default product for Hayward's non-residential customers. Council now has the opportunity to select the default product for Hayward's residential customers.

ATTACHMENTS

Attachment I Staff Report



DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT: East Bay Community Energy – Consideration of Default Product for Residential Customers

RECOMMENDATION

That the Committee makes a recommendation to Council regarding selection of a default energy product for East Bay Community Energy's residential customers in Hayward.

SUMMARY

East Bay Community Energy (EBCE) will begin serving non-residential customers in June 2018 and residential customers in November 2018. Starting in June, EBCE will offer two products to non-residential customers. The products will be Bright Choice, which will be a minimum of 85% carbon free electricity and Brilliant 100, which will be 100% carbon free, but not necessarily 100% renewable. On April 18, 2018, the EBCE Board decided to offer a third product, 100% renewable energy, which will be available starting in November 2018. EBCE made Bright Choice the default product for all customers, but on March 6, 2018 Council voted to select Brilliant 100 as the default product for Hayward's non-residential customers. Council now has the opportunity to select the default product for Hayward's residential customers.

BACKGROUND

In December 2016, Hayward joined ten other cities in Alameda County and the County of Alameda to establish a joint powers authority to form EBCE. The cities of Newark and Pleasanton did not join and the City of Alameda is served by its own electric utility. The EBCE Board of Directors meets regularly and their meeting packets are available at <http://ebce.org/archive/>.

On March 6, 2018, Council voted to designate Brilliant 100 as the default product for non-residential customers in Hayward. Council also chose to select Brilliant 100 for all municipal facilities. All previous Council and Sustainability Committee reports regarding EBCE are available at <http://www.hayward-ca.gov/cce>.

On March 21, 2018, the EBCE Board approved Hayward and Albany's requests to enroll all non-residential customers into Brilliant 100 and to make necessary changes to marketing materials and program terms and conditions. Most Board members did not like the idea of having certain cities choose their own default product, but they did want to respect and support the decisions made by the Hayward and Albany city councils. Several members of the audience spoke at the Board meeting urging the Board to not allow cities to choose their own default product. Comments made at the March 21st meeting included:

- EBCE has been marketed as a program that will be cheaper than PG&E.
- Brilliant 100 as the default will cause complexity for the EBCE call center and will be confusing for customers.
- Brilliant 100 as the default will be a violation of public trust and will be discriminatory.
- Having customers enrolled in Brilliant 100 will create less demand for the 100 percent renewable option (when it is offered) because they may be confused by already having a 100% product.
- The San Francisco Business Times noted that customers should opt out if they want to avoid the higher cost. There are already arguments that CCAs are elite programs.
- Customers will see this as a bait and switch
- All cities need to move together toward 100% renewable energy
- Brilliant 100 as the default will cause more opt outs.

While some of these comments are unfounded and unfair, staff wanted the Committee to be informed of the broad range of comments.

DISCUSSION

EBCE will begin serving residential customers in November this year. EBCE has set a deadline of June 6, 2018, for any cities to choose something other than Bright Choice as the default product for their residential customers. Beginning in November, EBCE will offer three products:

	Bright Choice	Brilliant 100	100% Renewable
Sources	38% renewable, 47% large hydro ¹	40% renewable, 60% large hydro	100% renewable
GHG Emissions	85% GHG free	100% GHG free	100% GHG free
Rate	1.5% less than PG&E ²	Equal to PG&E	Unknown (may be 5 to 10% more than PG&E)

¹ Under California's renewable portfolio standard (RPS) requirements, solar, wind, geothermal and small hydroelectric facilities qualify as eligible renewable energy resources. Power from large hydroelectric facilities does not qualify as an eligible resource due to impacts to fisheries and watershed hydrology.

² The 1.5% discount only applies to the "generation" line item on the PG&E bill. Depending on a customer's electricity usage, the generation charge may only be approximately half of the total electric charges, so the total savings will be less than 1.5%.

The 100% renewable energy product has not yet been named. The rate premium for the 100% renewable energy product has not yet been determined, but could be approximately 5 to 10% more than PG&E rates.

Hayward's currently stated goal is to reduce GHG emissions by 20% below 2005 levels by 2020. As noted in the [March 6 Council report](#) and the [2015 greenhouse gas inventory report](#) presented to the Council Sustainability Committee, Hayward, like almost all other Bay Area cities, is unlikely to meet its 2020 reduction target unless the entire community is enrolled in 100% carbon free energy. According to EBCE's Technical Study that was completed in July 2016, approximately 30% of Hayward's electrical load is residential. Therefore, making Brilliant 100 the default product for residential customers could make a significant difference in community-wide emissions.

In April 2018, EBCE began mailing opt-out notices for Phase 1, which includes all non-residential customers. Phase 2 customers, which are all residential accounts, will receive opt-out notices starting in September. If Brilliant 100 is the default for residential customers, the opt out notices would provide the following options: 1) do nothing to automatically enroll in Brilliant 100 and continue to pay rates equal to PG&E; 2) opt down to Bright Choice; 3) opt up to 100% renewable energy; or 4) opt out to continue receiving electricity from PG&E.

Concerns Raised at the March 21 EBCE Board Meeting – The rate discount relative to PG&E does not appear to be a significant factor in a program's opt out rate. For example, EBCE staff have noted that Peninsula Clean Energy (with a 5% discount compared to PG&E) and Silicon Valley Clean Energy (with a 1% discount) both have similar opt out rates. If Brilliant 100, which will have rates equal to PG&E, is chosen as the default for Hayward's residents, staff does not believe that the rate itself will be the determining factor for any opt outs that may occur.

In addition, staff makes the following points in response to the concerns raised at the March 21st meeting:

- For customers expecting EBCE to provide rates cheaper than PG&E, that alternative will still be available as an opt down option.
- Regarding potential for increased complexity, regardless of the default selected for Hayward, customers will still have the same number of choices.
- Regarding potential confusion between 100% carbon free and 100% renewable, EBCE's marketing materials will clearly distinguish between the two.
- Regarding the idea that customers should opt out of the program in order to avoid higher costs, no customers will pay higher rates unless they actively choose the 100% renewable product.
- Regarding the need to transition EBCE's entire portfolio toward 100% renewable energy, Hayward's choice of a different default product will not inhibit that effort. In fact, customers enrolled in the 100% carbon free product may be more likely to see 100% renewable as their sole option for improvement.

Other Cities – In addition to Hayward, the EBCE member jurisdictions of Albany and Piedmont are exploring the idea of selecting a product with less GHG emissions than Bright Choice for their residential default product. The City of Piedmont’s recently updated climate action plan calls for selecting 100% renewable energy as the default for the entire community. On May 7th, the Piedmont City Council discussed the possibility of choosing either Brilliant 100 or the 100% renewable product as their default for Phase 2. Albany will consider their residential default product on May 21st.

Options for the Committee – Following are three options for the Committee to consider in a recommendation to Council:

1. Select Bright Choice as the default product for residential customers (non-residential would still have Brilliant 100 as default);
2. Select Brilliant 100 as the default for residential customers (so that residential and non-residential customers would both have Brilliant 100 as the default); or
3. Select 100% Renewable as the default for residential customers.

There are approximately 48,000 residential accounts in Hayward, including approximately 14,000 California Alternate Rates for Energy (CARE) customers and 500 Family Electric Rate Assistance (FERA) customers. The CARE and FERA programs offer discounts to income-qualified customers. Also, approximately 4% of customers in the EBCE territory are Medical Baseline customers. They pay special rates due to equipment or heating/cooling needs related to medical conditions. For communities with Bright Choice as the default, customers currently enrolled in these discount programs will continue to receive the same discounts. If Council chooses either Brilliant 100 or 100% Renewable as the default for residential customers, staff recommends that the resolution adopted by Council explicitly state that CARE, FERA, and Medical Baseline customers will be enrolled in Bright Choice and will continue to receive their same discounted rates. Even with lower income customers continuing to receive current discounts, staff recommends against selecting 100% renewable as the default product so that standard customers do not experience unexpected increases in their bills.

STRATEGIC INITIATIVES

This agenda item does not relate to one of Council’s three Strategic Initiatives.

ECONOMIC IMPACT

If Brilliant 100 is chosen as the default for Hayward, customers will see no change in their cost of electricity. If Bright Choice is chosen as the default for residential customers, they would see a very small amount of savings on their electric bills. As noted above, the 1.5% discount for Bright Choice only applies to the generation charge, which is only a portion of the electric charges on a utility bill. A customer with a current PG&E electric bill of \$100 per month would see the cost drop to approximately \$99.20, an 80-cent reduction.

FISCAL IMPACT

There is no fiscal impact on the General Fund associated with this action.

SUSTAINABILITY FEATURES

Community choice energy was identified in the City's Climate Action Plan as a program with the greatest potential to reduce community-wide GHG emissions. As noted above, if the entire community is enrolled in Brilliant 100, and assuming that opt outs are kept to a minimum, then Hayward could come close to meeting its 2020 reduction target. If large accounts that currently have direct access to wholesale power switch over to EBCE using Brilliant 100, then Hayward could meet its 2020 reduction target. Actual GHG savings resulting from EBCE remain to be seen. Even if GHG reductions are modest at first, the program is expected to provide cleaner electricity over time and develop local renewable energy projects that benefit the local economy. If Hayward chooses Bright Choice as the default, then GHG emissions would be very similar to staying with PG&E and Hayward would miss its 2020 reduction target.

NEXT STEPS

Upon direction from the Committee, staff will present a resolution to select a default energy product for residential customers to Council on May 22, 2018.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:



Kelly McAdoo, City Manager



CITY OF HAYWARD

Hayward City Hall
777 B Street
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File #: ACT 18-021

DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT

Possible Participation in Idle-Free Bay Area Campaign

RECOMMENDATION

That the Committee reviews and comments on this report and makes a recommendation regarding an Idle Free Bay Area Proclamation for Council adoption. Additionally, that the Committee gives direction to staff regarding a possible idle-free ordinance.

SUMMARY

This report presents a sample proclamation that may be presented to Council and summarizes anti-idling ordinances considered or adopted by other local jurisdictions. Staff is seeking direction regarding the possible preparation of a draft ordinance for an upcoming Committee meeting.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Proclamation Template
Attachment III	Idle Free Ordinances by Local Jurisdictions
Attachment IV	Flyer for Minneapolis Ordinance



DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT Possible Participation in Idle Free Bay Area Campaign

RECOMMENDATION

That the Committee reviews and comments on this report and makes a recommendation regarding an Idle Free Bay Area Proclamation for Council adoption. Additionally, that the Committee gives direction to staff regarding a possible idle-free ordinance.

BACKGROUND

Hayward is a member of the Southern Alameda County Spare the Air Resource Team, which is a program of the Bay Area Air Quality Management District. The Team meets quarterly and includes environmental and transportation program staff from the cities of Fremont, Newark, Union City, Hayward as well as staff from school districts, AC Transit, TransForm, and Supervisor Scott Haggerty's office. The Team has a small budget and works to reduce greenhouse gas emissions and traffic congestion by promoting commute alternatives and educating drivers about the expense and waste of unnecessary idling.

General Plan Policies – Hayward's General Plan, adopted on July 1, 2014, includes the following policies related to idling:

Policy NR-2.8: Reduced Emissions for City Operations and Commutes. The City shall promote reduced idling, trip reduction, routing for efficiency, and the use of public transportation, carpooling, and alternate modes of transportation for operating City departments and City employees.

Program M-9: Improved Traffic Flow Program. The City shall work with Metropolitan Transportation Commission and the Alameda County Transportation Commission to plan and obtain funding for projects that improve traffic flow on arterials and reduce vehicle idling.

Staff has drafted an Administrative Rule regarding idling in City vehicles, which is currently pending review.

DISCUSSION

Vehicle idling is often unnecessary and can occur while waiting to pick up children from school, sitting in line in a drive-through, or using a phone at the start or end of a trip.

According to the [IdleFreeBayArea](http://IdleFreeBayArea.org) website, the top reasons to be idle free are:

- Save money – 30 seconds of idling uses more fuel than restarting the engine
- Breathe easier – car exhaust can aggravate asthma and decrease lung function – especially in children
- Keep the sky blue – car exhaust is the number one source of summertime air pollution in the Bay Area
- Reduce your carbon footprint

Proclamation – The Southern Alameda County Spare the Air Resource Team is promoting the Idle Free Bay Area campaign. The Team distributes information at community events, helps to post signs around schools and workplaces, and works with the Safe Routes to Schools program to encourage walking and biking. The District developed a video that will be run in movie theaters in Southern Alameda County this summer. Staff plans to share the short video with the Committee during the meeting.

Several jurisdictions have adopted proclamations to promote the idle-free campaign, including the Walnut Creek, Martinez, and Pittsburg school districts, the County of Contra Costa, and the City of Martinez. These proclamations and associated media coverage are available at <https://idlefreebayarea.org/news/>. A sample proclamation is included as Attachment II, is intended to raise awareness about idling and to encourage people to turn off vehicles when they would otherwise idle more than 30 seconds. Upon direction from the Committee, staff will prepare a proclamation for an upcoming Council meeting.

Potential Ordinance – Several cities in California and the United States have adopted idle-free ordinances to reduce greenhouse gas emissions and improve air quality. According to IdleFreeBayArea.org, car exhaust is the number one source of summertime air pollution in the Bay Area. Although an ordinance can provide modest emissions reductions, it can also support a jurisdiction's climate action plan because reducing idling also saves fuel. There are also health-benefits associated with reducing idling. Car exhaust includes particulate matter (PM) and hydrocarbons, which have been linked to asthma, cancer, and cardiovascular problems.

In December 2017, the City of Palo Alto's Policy and Services Committee considered a draft anti-idling ordinance. The Committee discussed the merits of the ordinance and whether it would be effective given the staff's limited enforcement capacity. In Fall 2017, the City of Berkeley's City Council directed the Community Environmental Advisory Commission to explore developing an anti-idling ordinance.

Cities in Utah and the Midwest have had anti-idling ordinances for almost ten years. Attachment III lists the differences between these ordinances including the allowed idling time and enforcement. The time limit for idling ranged from one minute to five minutes and enforcement varies from voluntary compliance to a \$200 fine.

Every ordinance includes an exception for emergency vehicles responding to emergency situations. Additional exceptions included for vehicles containing K9 or other animals, to defrost windshields, when temperatures are below zero or above ninety degrees Fahrenheit, when necessary to operate auxiliary equipment, and to perform diagnostic tests and maintenance on vehicles. Attachment III is an example of a flyer that is used by the City of Minneapolis to educate people about their anti-idling ordinance.

ECONOMIC IMPACT

Reducing idling saves fuel, which can save some money. Even with an ordinance and extensive outreach, staff expects that savings to community members would be minimal.

FISCAL IMPACT

Outreach associated with an idle free campaign could be handled by existing staff with no impact to the General Fund or enterprise funds.

If signage is installed around schools and other idling hotspots, then a cost estimate of \$15,000 for 100 signs in 50 locations is anticipated. These funds are not included in the FY 2019 operating budget and staff would need to return to Council to request an appropriation.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to create and support structures, services and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objective:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods

Objective 4: Create resilient and sustainable neighborhoods.

SUSTAINABILITY FEATURES

Encouraging the community to go “idle-free” will help reduce greenhouse gas emissions and improve local air quality.

NEXT STEPS

Upon direction from the Committee, staff will prepare a proclamation for an upcoming Council meeting. Also, upon direction from the Committee, staff could prepare a recommendation regarding a possible ordinance for an upcoming Committee meeting.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

Kelly McAdoo, City Manager

Proclamation

Idle-Free Proclamation for Motorized Vehicles in CITY NAME

WHEREAS, emissions from vehicle idling contribute significantly to air pollution, climate change, increased rates of cancer, and heart and lung diseases, which adversely affect health; and

WHEREAS, emissions from vehicle idling significantly affect the natural environment, air quality and well-being of residents, guests and visitors of CITY OR TOWN; and

WHEREAS, idling a typical vehicle for longer than ten seconds consumes more fuel than restarting that vehicle, resulting in excessive emissions and wasted fuel; and

WHEREAS, it is vital that we protect the health and well-being of communities most at risk, such as our children, who are the future for our community; and

WHEREAS, every resident can improve our CITY OR TOWN's air quality by turning off vehicles whenever we are going to idle more than 30 seconds; and

WHEREAS, education about idle reduction can raise community awareness, encourage our community to develop idle free habits; and

WHEREAS, the CITY will adhere to Policy # to 'Promote anti-idling policies and programs', as stated in the CITY General Plan (or as relevant).

NOW, THEREFORE I, NAME, Mayor of the City of CITYNAME, County of NAME, State of California, do hereby express concern over the health, safety, and environmental issues associated with car idling, and encourage staff and community members to practice no idling for the greater benefit of the CITY OR TOWN.

MAYOR NAME

Mayor of the City of CITYNAME

Dated this _____

Anti-idling Ordinances by Local Jurisdictions

Jurisdiction	Date	Idling time	Enforcement	Listed Exceptions	Document
Berkeley, CA	9/12/2017	City Council directed the Community Environmental Advisory Commission to explore developing an anti-idling ordinance.			
Palo Alto, CA	12/12/2017	3 minutes	Likely would be limited or no enforcement	<ul style="list-style-type: none"> • Fire trucks and police vehicles when responding to emergency situations • Public Works vehicles under listed conditions in City Fleet Policies & Procedures 	Draft Ordinance
Santa Cruz, CA	2/10/2015	90 seconds on City streets		<ul style="list-style-type: none"> • Police, fire, ambulance, public safety, or other emergency or law enforcement vehicles • To defrost windows • When necessary to accomplish work vehicle designed for, including to operate lift, winch or crane 	Ordinance
District of Columbia	11/6/2015	3 minutes			
Minneapolis, MN	6/6/2008	3 minutes	Up to \$200 fine	<ul style="list-style-type: none"> • Allow up to 15 mins of idling per hour when temperatures below 0 or above 90 degrees Fahrenheit • Police, fire, ambulance, public safety, or other City vehicles during emergency or enforcement activities • To maintain a safe climate for Police K9 or Animal Control vehicles • To diagnose vehicle repair needs • 15mins of idling per hour allowed for cabs with paying passengers 	Ordinance

Jurisdiction	Date	Idling time	Enforcement	Listed Exceptions	Document
Ann Arbor, MI	10/6/2016	5 minutes for commercial vehicles. 5 minutes for other drivers in "no idling zones"	Each violation considered civil infraction with fine of at least \$100. Ordinance includes an extensive list of positions within the city administration who are authorized to issue citations.	<ul style="list-style-type: none"> When necessary to prevent a health or safety emergency When necessary for vehicle maintenance, service, repair, diagnostics 	Ordinance
Salt Lake City, UT	11/2/2011	2 minutes	1 st offense warning, 2 nd offense \$160 fine	<ul style="list-style-type: none"> Emergency vehicles On-duty police officers for official duties When temperatures below 32 degrees or above 90 degrees Fahrenheit To defrost windshields For vehicle testing or diagnostic purposes To operate auxiliary equipment To recharge battery for hybrid electric vehicle Vehicles that house K9 or service animals 	Ordinance
Park City, UT	11/19/2009	1 minutes	Not an enforceable ordinance, but resolution includes guidelines.	<ul style="list-style-type: none"> Emergency vehicles during emergency situations For vehicle repair or inspection When temperatures below 32 or above 90 degrees Fahrenheit When necessary for auxiliary power of law enforcement equipment, refrigeration units, loading/unloading lifts, well drilling, and/or farming 	Resolution

IDLING IS ILLEGAL

YOU CAN BE ISSUED A TICKET

In Minneapolis, it is against the law for any vehicle to idle more than three minutes* except in traffic.

Warning drivers: \$200 fine for violation

* Five minute limit for diesel trucks and buses.

Save money.

Idling uses more gas every 10 seconds than restarting your car.

An average car burns almost a gallon of gas for every hour of idling.

Today's engines warm up in less than 30 seconds.

Excessive idling can damage your engine components, including cylinders, spark plugs and exhaust systems.



Breathe easier.

Exhaust is hazardous to human health, especially children's; studies have linked air pollution to increased rates of cancer, heart and lung disease, asthma and allergies. Exhaust is also a major source of carbon dioxide contributing to global warming.



Attention: If you want help translating this information, call 311



Spanish: Atención. Si desea recibir asistencia gratuita para traducir esta información, llame al 612-673-2700

Somali: Ogow. Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500

Hmong: Ceeb toom. Yog koj xav tau kev pab dawb txhais cov xov no, hu 612-673-2800

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For more information and a list of exemptions,

please visit http://www.ci.minneapolis.mn.us/airquality/antiidling_home.asp



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: ACT 18-022

DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT

Property Assessed Clean Energy (PACE) - Marketing by PACE Providers

RECOMMENDATION

That the Committee reviews and comments on this report.

SUMMARY

Property Assessed Clean Energy (PACE) programs allow property owners to finance energy and water efficiency improvements and pay off the debt through annual installments on their property tax bill. The City Council has authorized five PACE programs to operate in Hayward (www.hayward-ca.gov/PACE <http://www.hayward-ca.gov/PACE>). Two of the five are 'Open PACE' programs, which each have several program administrators. This report presents an update on some issues with marketing tactics of PACE programs.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Postcard



DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT: Property Assessed Clean Energy (PACE) – Marketing by PACE Providers

RECOMMENDATION

That the Committee reviews and comments on this report.

SUMMARY

Property Assessed Clean Energy (PACE) programs allow property owners to finance energy and water efficiency improvements and pay off the debt through annual installments on their property tax bill. The City Council has authorized five PACE programs to operate in Hayward (www.hayward-ca.gov/PACE). Two of the five are 'Open PACE' programs, which each have several program administrators. This report presents an update on some issues with marketing tactics of PACE programs.

BACKGROUND

Property Assessed Clean Energy (PACE) programs allow property owners to finance energy and water efficiency improvements and pay off the debt through annual installments on their property tax bill. The intent is to provide an additional means of financing to make environmentally sustainable property improvements and seismic upgrades more accessible to property owners. The potential benefits of PACE financing over other financing options include 100% financing for eligible improvements, a longer repayment period of up to twenty years, and the potential reliability of pre-approved contractors. Traditional home improvement loans or second mortgages do not certify specific contractors, however, they may have lower interest rates than PACE financing.

The City Council has authorized five PACE programs to operate in Hayward. Two of the five programs, the California Municipal Finance Authority and the California Statewide Communities Development Authority are Open PACE programs, which are Joint Powers Authorities (JPAs) that select specific PACE providers to administer their PACE financing programs. The model is considered "open" because once a municipality has joined the JPA, then the JPA can sponsor additional PACE programs. These programs are then allowed to

operate in the municipality without additional approvals by the municipality. Once a city joins an open PACE JPA, then any future PACE programs sponsored by JPA are also authorized to operate in the city. However, if a city decides it does not want a specific JPA-sponsored program to operate in their jurisdiction, then the burden is on the City to opt out of that individual program. The most recently added PACE program was CMFA Open PACE, which was authorized by Council on October 17, 2017.

The Association of Bay Area Governments (ABAG) developed a Regional Collaborative Services Agreement (RCSA) to improve transparency and reporting standards for residential PACE Programs. The RCSA also:

- Designates ABAG as the liaison regarding implementation of the Agreement, meaning that ABAG will follow up with PACE providers when concerns are raised about customer protections or reporting;
- Requires all residential PACE programs to have clearly visible disclosures regarding the Federal Housing Finance Authority's (FHFA) policies on residential PACE programs;
- Requires all residential PACE programs to participate in the State's PACE Loss Reserve; and
- Requires data sharing between the PACE programs and local governments to monitor program performance locally and improve reporting.

On October 17, 2017, Council authorized the City Manager to sign member addendums to the RCSA with each of the residential PACE programs operating in Hayward. The addendums, intended to ensure the PACE providers are aware that the City will hold the providers accountable to the terms of the RCSA, have been signed and transmitted to the residential PACE Programs indicated below.

Authority	Program Administrator	Programs		RCSA Executed
		Residential	Commercial	
¹ CMFA Open PACE	Energy Efficient Equity (E3)	x		yes
CMFA Open PACE	Blue PACE		x	
CMFA Open PACE	Structured Finance Associates		x	
CMFA Open PACE	OnPACE Energy Solutions		x	
CMFA Open PACE	Petros PACE		x	
² CSCDA Open PACE	AllianceNRG	x	x	
CSCDA Open PACE	CaliforniaFirst	x	x	
CSCDA Open PACE	PACE Funding Group LLC	x		yes
CSCDA Open PACE	SpruceFinance	x		yes
CSCDA Open PACE	Renovate America	x		
CSCDA Open PACE	CounterpointeSRE		x	yes
CSCDA Open PACE	CleanFund		x	

¹ CMFA = California Municipal Finance Authority

² CSCDA = California Statewide Communities Development Authority

Authority	Program Administrator	Programs		RCSA Executed
		Residential	Commercial	
³ CEDA	Figtree (Dividend Finance)		x	yes
⁴ GSFA	Ygrene	x	x	yes
⁵ WRCOG	HERO	x		yes

DISCUSSION

PACE programs can present risks to consumers and some PACE programs and contractors have been implementing aggressive marketing tactics. In Hayward, residents have reported receiving postcards (see Attachment II) that imply a relationship with the City that does not exist. The postcards indicated that the City was a “sponsor” of the program, incorporated the name of the City in the website address, and state that the program uses “government authorized funds”. The postcards were mailed by a company hired by California First, which is one of the programs that has not signed the RCSA. Residents have also received many phone calls from companies seeking to generate leads for contractors. In 2017, CaliforniaFirst’s vendor was using actual city logos on postcards. The City of San Leandro sent them a cease and desist order and they subsequently changed to using just city names and generic logos. San Leandro called the vendor in early 2018 and they were not willing to make any additional changes to the postcard.

The California Statewide Communities Development Authority (CSCDA) is an Open PACE program offering five different programs. CSCDA has been discussing aggressive marketing tactics with staff at ABAG and has decided to amend the contracts with all their PACE programs. In addition, staff from CSCDA have advised CaliforniaFirst that they need to sign the RCSA. On May 3, the CSCDA Board voted to amend contracts with all their PACE administrators requiring:

- Each PACE administrator shall maintain a list of contractors who they have determined are eligible to provide PACE Program services (each being an “Eligible Contractor”). Any contractor who the administrator has determined uses false or misleading marketing efforts, including but not limited to using lead generating companies to distribute postcards with content that implies that the federal, state, or local government, or any governmental entity other than CSCDA, provides the Program, shall not be included in the list of eligible contractors
- Each PACE administrator shall not approve a property owner application for Open PACE Program funding if such application: (a) does not identify an Eligible Contractor or (b) identifies a contractor who procured the work through marketing efforts that reasonably could be interpreted as implying that the federal, state, or local government, or any governmental entity other than CSCDA, provides the PACE program.

³ CEDA = California Enterprise Development Authority

⁴ GSFA = Golden State Finance Authority

⁵ WRCOG = Western Riverside Council of Governments

- CSCDA shall not authorize an assessment against a property, record a lien or otherwise assist in providing Open PACE Program funding for any application approved in violation of sections outlined above.

CSCDA staff have indicated that each PACE administrator will have two weeks to execute the amended contracts or face termination. According to CSCDA staff, most PACE programs were offering interest rates in the 8 to 9% range and are now around 5%.

In addition, CSCDA is working with PACE programs to standardize the reporting that is required by the RCSA and recent state legislation. PACE programs are required to provide cities with data so that cities know how many projects, the values of projects, and types of improvements, but each city has had to ask each PACE program for this information. Responses can take a long time and come in varying formats. CSCDA is preparing a standardized online platform where anyone will be able to download data from all five providers. The platform should be in place by early May and providers will be contractually required to report data using the platform. Data will include number of applications approved and declined by census tract, job creation, Kw of solar installed and resource savings. While CSCDA does not have contractual relationships with Ygrene and HERO, they are working toward either using the same platform or a similar format.

Legislation & Regulation – In 2017, the California legislature approved bills that increase consumer protections. Senate Bill 242 (Skinner-Dababneh), became law in October 2017 and became effective on April 1, 2018. It expands on the consumer protection rules, including requirements for a homeowner to prove their "ability to Pay". Previously PACE liens could be established based on the value of the home and there was no consideration of the homeowner's cash flow. CaliforniaFirst, HERO and others implemented this change in January this year and their application approvals have decreased by 40%. SB 242:

- requiring PACE program administrators to record an oral confirmation that the property owner has reviewed key terms of the contract.
- Expands "right to cancel" provisions for a property owner
- Establishes a ban on compensating contractors beyond the cost of the home improvement project.
- Requires contractors to quote a property owner the same price as cash for a home improvement project using PACE financing.
- Prevents PACE providers from disclosing to contractors the amount of funds the property owner is eligible for under a PACE assessment.
- Establishes data reporting requirements to local government partners, including data that speaks to the projected energy and water savings and local economic and job impacts, as well as on categories of products installed and homeowners served.

AB 1284 (Dababneh-Skinner-Calderon), also became law in October 2017 and will be effective on January 1, 2019, is intended to enhance PACE underwriting, regulate PACE at the state level, and enforce compliance with all PACE laws by PACE administrators and individual contractors. According to BuildItGreen.org, the legislation:

- Strengthens and standardizes the current underwriting standards in PACE based on home equity and on-time mortgage and tax payment history.
- Establishes new underwriting standards predicated on income verification and ability-to-pay to determine that property owners can meet their annual PACE obligation in addition to their current debt obligations and basic household expenses.
- Requires PACE providers to undergo background investigations and satisfy net worth requirements to obtain a license.
- Requires PACE providers to enroll and train home improvement contractors and their individual sales reps; and holds PACE providers accountable for screening and monitoring the contractors and individual sales reps enrolled in their programs.

ECONOMIC IMPACT

Allowing PACE programs to operate in Hayward increases options to Hayward property owners for financing improvements. Some improvements are cost-effective and can have provide for a reasonable return on investment. PACE financing also increases the total debts carried by property owners who choose to take part. In the worst case, cost savings may not materialize as predicted and the owners could end up owing more than they can afford, which could result in increased foreclosures. However, this has not been the experience of PACE programs up to this point. On the contrary, most PACE programs claim that the default rates of their property owners are lower than nationwide averages, which is reflected by the fact that there have been zero claims on California's loss reserve to date. Furthermore, the recent state laws mentioned above should help to mitigate the risks to property owners.

FISCAL IMPACT

The City's participation in PACE programs does not impact the General Fund or any City funds. PACE programs use private sector capital to provide property owners with funding. Some staff time is spent monitoring and reporting on programs.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities strategy is to create and support structures, services and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goal and objective:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods

Objective 4: Create resilient and sustainable neighborhoods.

This agenda item also supports the Tennyson Corridor Strategic Initiative. The purpose of the Tennyson Corridor strategy is to develop an attractive, cohesive, thriving Tennyson Corridor through thoughtful engagement of residents, businesses, and community partnerships. This item supports the following goal and objective:

Goal 5: Increase Community Resiliency

Objective 6: Reduce resident utility bills through efficiency

SUSTAINABILITY FEATURES

PACE Financing is supported by Hayward's Climate Action Plan and offers the following Sustainability features:

Energy: Access to PACE funding enables solar photovoltaic installations and energy efficiency upgrades – both of which reduce the community's reliance on fossil fuels.

Air: Access to PACE funding enables energy efficiency upgrades, which may reduce the use of wood-burning stoves/fireplaces and related emissions.

Water: Access to PACE funding enables water upgrades, which reduce Hayward's per capita water consumption.

Seismic: Access to PACE funding enables seismic upgrades, which will increase structures' resiliency after an earthquake.

NEXT STEPS

Upon direction from the Committee, staff will continue to monitor the PACE programs operating in Hayward and will share data with the Committee. Staff could return in six months with data and observed changes in marketing practices.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:



Kelly McAdoo, City Manager

Postcard Received by Hayward Resident in February 2018





CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: ACT 18-024

DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT

Proposed 2018 Agenda Planning Calendar

RECOMMENDATION

That the Committee reviews and comments on this report.

SUMMARY

This report lists the proposed topics for the upcoming Council Sustainability Committee meetings in July and September, as well as topics that are currently unscheduled but planned to be brought before the Committee. The recommended 2018 agenda planning calendar includes four topics for the July meeting, four topics for the September meeting and ten topics currently unscheduled but listed for consideration for future Committee meetings.

ATTACHMENTS

Attachment I Staff Report



DATE: May 14, 2018

TO: Council Sustainability Committee

FROM: Director of Utilities & Environmental Services

SUBJECT Proposed 2018 Agenda Planning Calendar

RECOMMENDATION

That the Committee reviews and comments on this report.

SUMMARY

This report lists the proposed topics for the upcoming Council Sustainability Committee meetings in July and September, as well as topics that are currently unscheduled but planned to be brought before the Committee. The recommended 2018 agenda planning calendar includes four topics for the July meeting, four topics for the September meeting and ten topics currently unscheduled but listed for consideration for future Committee meetings.

DISCUSSION

For the Committee's consideration, staff suggests the following tentative agenda topics.

PROPOSED 2018 AGENDA PLANNING CALENDAR

July 9, 2018
Progress Toward 2025 ZNE Goal (Action)
Establishing 2025 and 2030 GHG Reduction Goals (Action)
Building Electrification & Reducing Natural Gas Use (Action)
WMAC Franchise Agreement Annual Report (Informational)
September 24, 2018
Plastic Straws & Utensils
Illegal Dumping (including update on What Works Cities project)
Water Quality Update
Amendments to SFPUC Water Supply Agreement
Unscheduled Items

PROPOSED 2018 AGENDA PLANNING CALENDAR

Recycled Water Project Update (November 2018)
Clean Cars 2040 Act (AB-1745)
Car Sharing (Informational)
Accelerating Multifamily Building Upgrades (California Energy Commission grant)
Stormwater Trash Reduction Requirements
Laundry to Landscape Ordinance
Tiny Homes
Electrify America's Investment Plan
Long Term Water Conservation Framework
Current Drinking Water Quality Testing

NEXT STEPS

Upon direction from the Committee, staff will revise the above list and schedule items accordingly for 2018.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:



Kelly McAdoo, City Manager